## **MINUTES**

# MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

## COMMITTEE ON HUMAN SERVICES

Call to Order: By CHAIRMAN ARLENE BECKER, on February 14, 2005 at 3:00 P.M., in Room 472 Capitol.

# ROLL CALL

#### Members Present:

Rep. Arlene Becker, Chairman (D)

Rep. Tom Facey, Vice Chairman (D)

Rep. Don Roberts, Vice Chairman (R)

Rep. Mary Caferro (D)

Rep. Emelie Eaton (D)

Rep. Gordon R. Hendrick (R)

Rep. Teresa K. Henry (D)

Rep. William J. Jones (R)

Rep. Tom McGillvray (R)

Rep. Mike Milburn (R)

Rep. Art Noonan (D)

Rep. Ron Stoker (R)

Rep. Pat Wagman (R)

Rep. Bill Warden (R)

Rep. Jonathan Windy Boy (D)

Members Excused: Rep. Dave McAlpin (D)

Members Absent: None.

Staff Present: Susan Fox, Legislative Branch

Mary Gay Wells, Committee Secretary

**Please Note**. These are summary minutes. Testimony and discussion are paraphrased and condensed.

# Committee Business Summary:

Hearing & Date Posted: HB 552, 2/9/2005

HB 556, 2/9/2005

Executive Action: HB 340 Do Pass As Amended

HB 420 Do Pass As Amended

HB 556 Do Pass HB 387 Tie Vote

# HEARING ON HB 556

Sponsor: REP. ART NOONAN, HD 73, BUTTE

## Opening Statement by Sponsor:

REP. ART NOONAN opened the hearing on HB 556. The current law states, "A person commits the offense of Medicaid fraud when: ...submitting a false or misleading Medicaid claim...when that person knows or has reason to know that the person is not entitled to...Medicaid payment...." This changes the standard to say that the person had to make a false claim, not just to have reasonably known.

{Tape: 1; Side: A; Approx. Time Counter: 0 - 3.9}

## <u>Proponents' Testimony</u>:

David Vainio, Optometrist, informed the Committee that he had been the unfortunate provider of services and had been charged and prosecuted under the present Medicaid Fraud Statute (MFS), 45-6-313. He had not been aware that he could be personally and criminally prosecuted for violating departmental policies that are not written anywhere in a provider manual, in a statute or a rule. It is only in the mind of a departmental administrator. He thought that to be guilty of a crime, one had to have intentionally done something that was illegal. But the Medicaid Fraud Statute says "...the mental state knows or has reason to know...." As a businessman there are many things one should know or have reason to know but doesn't know. The submitted claim does not have to be a false or misleading claim; it just has to be a Medicaid claim. HB 556 is in compliance with the Montana State Supreme Court decision of November, 2001, State versus Vainio. The Court said that the policies to be enforced have to go through the Montana Administrative Procedure Act or MAPA. He urged them to support HB 556 so that no other provider would have to defend themself against the inequities in present statute.

{Tape: 1; Side: A; Approx. Time Counter: 3.9 - 6.3}

# Opponents' Testimony:

Donald Harr, Legislative Committee, Montana Medical Association, said that the case had been discussed in their Legislative Committee. It was decided that individuals, under HB 556, might take advantage of this change and state that they were not aware of something. Those who are providers should make themselves aware, or at least inquire, if there is a question. He did say that the decision of their Committee was by a margin of one vote.

Informational Testimony: None

{Tape: 1; Side: A; Approx. Time Counter: 6.3 - 8.8}

# Questions from Committee Members and Responses:

REP. DON ROBERTS asked if the codes used by doctors were part of the problem. Dr. Vainio responded that at the time of the charge, he owned multiple optometric offices throughout the state. All the billing went under his Medicaid provider number. All services had been provided. Medicaid said it was against the law to bill for services that were not personally provided. their own billing form, it states that one must provide the services under his/her personal direction. The Federal Code allows one to bill for services by an employee if the employee is required to turn his services over to the employer. Federal Law allowed his billing in this manner. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) thought they had a law against his billing; they didn't. However, they said they didn't need a rule, because MFS allowed them to prosecute on policy. This policy was not written in any manual but it was supposedly written in a letter addressed to him in 1988, twelve years before the court date. The Court ruled that a policy cannot be enforced unless it goes through MAPA.

The other issue addressed was the "mental state of purposely and knowingly." All criminal statutes are "purposely and knowingly." The intent is to do something wrong. Medicaid Fraud is the only statute that he had found that has, "...you purposely and knowingly submit a Medicaid claim...." There is no other way to submit such a claim. Dr. Vainio continued to explain what had happened and what HB 665 was doing.

{Tape: 1; Side: A; Approx. Time Counter: 8.8 - 13.3}

**REP. ROBERTS** inquired what the costs were to him personally. **Dr. Vainio** expended \$350,000 of his own money and went through five years of "hell on earth."

**REP. ROBERTS** asked that since the services provided weren't in their recommended purview, the charge was an intent to commit fraud. **Dr. Vainio** said that was correct.

**CHAIRMAN BECKER** questioned Dr. Vainio about his brother who had worked for him. **Dr. Vainio** answered that other optometrists had worked for him. He didn't address the question about his brother.

**REP. PAT WAGMAN** asked how the Court voted on the case. **Dr. Vainio** answered the vote was five to zero in his favor. The Court said Medicaid had to go through MAPA.

REP. RON STOKER inquired about the relationship between Dr. Vainio and his brother at the time of the charge. Dr. Vainio said that his brother was an employee of his at the time.

{Tape: 1; Side: A; Approx. Time Counter: 13.3 - 16.2}

## Closing by Sponsor:

REP. NOONAN pressed the fact that the law must be brought up to the standard of the Supreme Court ruling. Dr. Vainio, on his own, took the case to the Supreme Court and was given a favorable ruling. None of the agencies have come forward to correct what Dr. Vanio had won in court. He had to come to the Legislature to correct the law in order to reflect the court ruling.

{Tape: 1; Side: A; Approx. Time Counter: 16.2 - 20}

## HEARING ON HB 552

Sponsor: REP. MARY CAFERRO, HD 80, HELENA

#### Opening Statement by Sponsor:

REP. MARY CAFERRO opened the hearing on HB 552. Before presenting the bill, REP. CAFERRO presented the amendments. The increased eligibility was set at 133% of poverty. HB 552 would remove the asset test for Medicaid children. The fiscal note would be lowered to \$1.9 million. Medicaid can be considered as economic development. It will provide comprehensive health care for 4300 children. It can expand the CHIP rolls to the 3400 currently uninsured children without spending any new money. It will allow approximately \$1.6 million in Federal funds to come to Montana for Indian children's health care and school-based services. This money does not require a match. For Medicaid there is a three-to-one match. This would mean approximately \$7.3 million for Montana with only a \$1.9 million State match. EXHIBIT (huh36a01)

{Tape: 1; Side: A; Approx. Time Counter: 20 - 27.4}

# Proponents' Testimony:

Jim Aherns, President, Montana Hospital Association, stood in support of the bill.

Bonnie Adee, Mental Health Ombudsman, supported the bill. Her group has made recommendations for several years in a row to increase children's access to health and mental health care.

Jani McCall, Montana Children's Initiative Provider Association and Deaconess Billings Clinic, said they were very much in support of the bill. Primary priorities for both organizations are to increase health care access for children and families.

Steve Yeakel, Montana Council for Maternal and Child Health, Montana Advocates for Children, and The Alliance for Healthy Montana, felt the bill would extend insurance to the neediest of the population. Elimination of the asset test gets at the gray zone and reaches those who really need this.

{Tape: 1; Side: A; Approx. Time Counter: 27.4 - 30}

Sami Butler, Intermountain Children's Home, supported the bill which will eliminate some of the barriers that children have.

Alicia Pichette, Montana State Auditor's Office, offered that the they have been strong supporters of the Children's Health Insurance Program.

Kim Abbott, Working for Equality and Economic Liberation (WEEL), said HB 552 is a great bill. The earlier children are treated, the more cost effective the treatment is.

Linda Gryczan, Montana Women's Lobby, rose in support of the bill. She concurred with the other witnesses.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 1.6}

Donald Harr, Legislative Committee for the Montana Medical Association, and Montana Psychiatric Association declared that these organizations are in favor of HB 552. They recognize the need for more children to be able to access health care.

Opponents' Testimony: None

#### Informational Testimony:

John Chappius, Deputy Director, Department of Public Health and Human Services (DPHHS), offered some information. The Department had brought this legislation to the Legislature twice before. There is a big barrier for children and that is the complexity of the application. Medicaid application is extremely complex; there are 16-17 pages. If the asset test were eliminated, the application would be reduced to just a few pages.

{Tape: 1; Side: B; Approx. Time Counter: 1.6 - 4.7}

# Questions from Committee Members and Responses:

**CHAIRMAN BECKER** inquired if any of the money would come from I-149. **REP. CAFERRO** responded that the bill asks for the money to come from I-149. The purposes of I-149 expand coverage for CHIP and Medicaid services.

REP. TOM MCGILLVRAY asked if the income test remains the same. REP. CAFERRO replied that the income test is the same.

REP. MCGILLVRAY gave a test example; i.e., if a family has no income, but many assets, would they meet the eligibility requirements stated under this bill. REP. CAFERRO replied, "Yes."

REP. MCGILLVRAY asked why a federal waiver was not required.
REP. CAFERRO said they don't need a federal waiver because
Federal law defines the categories of who is eligible for
Medicaid. Federal law does not define some of the policy details
like assets or eligibility levels as far as income is concerned.
In Montana, all eligibility levels for children's Medicaid are at
the Federal minimums.

{Tape: 1; Side: B; Approx. Time Counter: 4.7 - 8.5}

**REP. ROBERTS** wondered if both assets and income were being removed for eligibility in the bill. **REP. CAFERRO** responded that HB 552 removes only the asset requirements.

**REP. CAFERRO** explained again what HB 552 changes. Currently, CHIP is capped and there is no room for more children in this program. HB 552 would move a group of CHIP children to Medicaid thereby opening up slots in CHIP for more children. Funding would come from I-149.

{Tape: 1; Side: B; Approx. Time Counter: 8.5 - 13.5}

REP. MIKE MILBURN asked why this had not been done before. REP. CAFERRO did not know because it has been a policy in many other states. She referred the question to Mr. Chappius. Mr. Chappius explained that the Department could not get a good handle on how many children would be involved. He explained that CHIP does not have an asset test. There are 3500 children that would have qualified for Medicaid but couldn't because of the asset test. The Department wanted a good estimate before opening a new entitlement.

**REP. MILBURN** wanted an explanation of the asset test. **Mr. Chappius** said the limit is \$3,000 for liquid assets. There are certain things not included like the first car, the house, etc.

- Linda Snedigar, Supervisor, Medicaid Eligibility Policy, DPHHS, replied that Native American income is generally excluded. Social Security income and resources are generally excluded. The home and the property under the home is excluded. Included in the income are savings accounts, trusts, stocks, bonds, etc. {Tape: 1; Side: B; Approx. Time Counter: 13.5 16.5}
- REP. RON STOKER asked for a description of CHIP, the cap on CHIP, the monthly roll-over number, how long the waiting list is and the eligibility level. Chuck Hunter, Administrator, Health Resources Division, DPHHS, explained that CHIP is for the tier of children above Medicaid up to 150% of Federal Poverty Level (FPL). Currently, there are 10,900 in the program. There is not a statutory limit on CHIP. There is a financial limit. The enrollment is limited by the amount of money being put into the program. CHIP has been limited by the amount of money the State puts in. The waiting list is approximately 300 children. The average waiting period is about one to two months. Kids leave when they turn 19 and they leave for a variety of other reasons. {Tape: 1; Side: B; Approx. Time Counter: 16.5 19.8}
- **REP. STOKER** inquired about the amounts going into CHIP from the State and from the Federal Government. **Mr. Hunter** explained that the State is spending about \$17 million and of that amount, the State match is about \$3.2 million.
- REP. WILLIAM JONES inquired about Medicaid, CHIP and dental care. Mr. Hunter said there is a dental limit in CHIP. Under Medicaid they would have access to more extensive kinds of service. If it is medically necessary, under Medicaid, they would receive that service.
- REP. MCGILLVRAY asked about the definition of family income. Ms. Snedigar said many things are considered. Income is split into two parts. There is earned income and unearned income. Earned income includes wages, contracts, commissions, tips, etc. Unearned income includes lease income, child support, gifts, student loans, etc. It is complicated and there is no simple answer as to what is counted. She then gave other examples. {Tape: 1; Side: B; Approx. Time Counter: 19.8 26.3}
- **REP. ART NOONAN** wondered how real the circumstance is of someone having an expensive house with property and being able to meet the requirements for Medicaid. **Ms. Snedigar** replied that it can happen and has happened, but not often.
- **REP. WAGMAN** wondered if more were spent on these types of programs, would that impact the economy and would that drive those people to seek more government aid. **Mr. Hudson** replied

that the matching rate for Medicaid is attractive enough and that any expansion of Medicaid has a pronounced effect on communities. It brings in a substantial amount of money and is turned over quickly. Health care providers hire assistants, rent buildings, etc.

**REP. WAGMAN** asked if the aid is delivered to another group currently not entitled, would this encourage them to be more self-sufficient or more reliant on the aid. **Mr. Hudson** believed parents want access to health care for their children. If their children are healthy, this would probably strengthen and improve a family and encourage self-dependency.

{Tape: 1; Side: B; Approx. Time Counter: 26.3 - 31}

REP. MCGILLVRAY spoke of the current crisis in Medicaid at the Federal level and asked if Federal dollars dry up, would the State have to stop programs. Mr. Chappius said the Federal Government is coming after certain programs, but they are not looking at Medicaid or CHIP. The Federal Government is looking at intergovernmental transfers. They are trying to reduce that amount and insure that it is absolutely appropriate with no false mechanism within the match or inappropriateness in overpaying costs. They are looking at provider taxes and are taking that threshold which had been at six percent to three percent. Montana hospitals, which are the largest single provider tax, are below the 30%. For nursing homes, Montana is right at 30%. Another place being targeted is case management which is a service provided primarily to the mentally retarded population and foster care kids. The Federal Government is now saying to Montana that it is now an administrative service. That means Montana would get a 50% match. This would be a big deal for Montana.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 4.2}

**REP. ROBERTS** asked for Mr. Chappius' thoughts on HB 552. Mr. Chappius believed that these programs are very effective. It is one of the best preventive measures for children.

## Closing by Sponsor:

The Sponsor closed.

{Tape: 2; Side: A; Approx. Time Counter: 4.2 - 7.3. REP. WINDY BOY left the hearing.}

#### EXECUTIVE ACTION ON HB 420

Motion: REP. WAGMAN moved that HB 420 DO PASS.

Motion: REP. WAGMAN moved that HB 420 BE AMENDED.
EXHIBIT (huh36a02)

## Discussion:

REP. WAGMAN read the amendment with the bill.

{Tape: 2; Side: A; Approx. Time Counter: 7.3 - 11.9}

**REP. STOKER, Ms. Fox and REP. WAGMAN** discussed different issues involving privacy.

{Tape: 2; Side: A; Approx. Time Counter: 11.9 - 15.9}

Ms. Fox discussed grandparents' rights. Grandparents do not have any rights to their grandchildren except what the court grants to them. HB 420 would help grandparents later in the process.

{Tape: 2; Side: A; Approx. Time Counter: 15.9 - 18}

**REP. STOKER** discussed the availability of legal representation for the child, the parent(s) and grandparents.

Ms. Fox explained that the child does not have a right to legal representation. The court may appoint counsel if necessary. Every child must have an appointed guardian ad litem.

{Tape: 2; Side: A; Approx. Time Counter: 18 - 21.1}

REP. FACEY supported the amendments as well as the bill.

Ms. Fox said that parents, currently, do not have a right to appointed counsel until termination of parental rights. There are other bills coming that would get this counsel started at the time the child is removed from the home.

{Tape: 2; Side: A; Approx. Time Counter: 21.1 - 23.7}

REP. BILL WARDEN was supportive of the bill.

**REP. WAGMAN** asked Ms. Fox to address the possibility of having the Department do the investigation. **Ms. Fox** thought that was implied in the bill. There would not be a full-blown investigation as in an adoption, but at least an investigation of some kind.

{Tape: 2; Side: A; Approx. Time Counter: 23.7 - 26.5}

**CHAIRMAN BECKER** wanted to know if the Department had seen the amendments. **REP. WAGMAN** said that the amendments had not been shown to the Department.

REP. NOONAN felt there was no recourse in the bill if people disagreed with the reasons that were given by the Department.

He hoped that people would not be able to come back and sue the agencies involved.

**REP. STOKER** felt that should be the prerogative of the judge to make a decision. He has seen, in his experience, a tremendous amount of hiding under the Federal and State privacy acts.

{Tape: 2; Side: A; Approx. Time Counter: 26.5 - 29.1}

**REP. WAGMAN** hoped that the investigative information would support the judge's decision.

Ms. Fox said that if the family member was not part of the case, they would not have the right of appeal.

{Tape: 2; Side: A; Approx. Time Counter: 29.1 - 31.4}

<u>Vote</u>: Motion on amendment carried unanimously by voice vote 16-0. REPS. MCALPIN and WINDY BOY voted by proxy.

Motion/Vote: REP. WARDEN moved that HB 420 DO PASS AS AMENDED. Motion carried unanimously by voice vote 16-0. REPS. MCALPIN and WINDY BOY voted by proxy.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 2.2. REP. MCALPIN returned to the hearing.}

## EXECUTIVE ACTION ON HB 340

Motion: REP. FACEY moved that HB 340 DO PASS.

Motion: REP. FACEY moved that HB 340 BE CONCEPTUALLY AMENDED TO CHANGE THREE WORDS.

#### Discussion:

REP. FACEY explained that on Line 11, the amendment would remove "appropriated" and add "available." On Line 11, it would remove the last "shall" and add "may." On Line 14, it would remove "shall" and add "may."

<u>Vote</u>: Motion carried 15-1 by voice vote with REP. MCGILLVRAY voting no. REP. WINDY BOY voted by proxy.

Motion/Vote: REP. FACEY moved that HB 340 BE AMENDED. Motion carried 15-1 by voice vote with REP. STOKER voting no. REP. WINDY BOY voted by proxy.
EXHIBIT (huh36a03)

Motion: REP. FACEY moved that HB 340 DO PASS AS AMENDED.

## Discussion:

**REP. FACEY** explained his conceptual amendment and stated it would mean the Department of Justice "may" spend money, not "shall" spend money.

{Tape: 2; Side: B; Approx. Time Counter: 2.2 - 8.4}

**REP. MIKE MILBURN** liked the amendment, but was opposed to the bill in general.

REP. STOKER did not want another amendment.

**REP. ROBERTS** understood that REP. WISEMAN had found some other funding for his bill. He felt that educating the people on methamphetamine would be the right way to go.

**REP. HENDRICK** felt that money for advertisement was not the way to go and that parents should be educating their children in addition to the schools.

{Tape: 2; Side: B; Approx. Time Counter: 8.4 - 11.2}

**REP. EATON** believed that parents often don't know the warning signs. The bill, as amended, would not be mandatory. Advertising would be done as funding was found.

**REP. ROBERTS** added that many families are dysfunctional and parents need educating as well as the children.

{Tape: 2; Side: B; Approx. Time Counter: 11.2 - 13.9}

**CHAIRMAN BECKER** spoke on the effectiveness of commercials. She was in favor of the bill.

REP. MCGILLVRAY felt very positive about the ability of the Legislature to find money. The ads, which were discussed, are funded by companies who have millions to put into advertising. He did not think \$250,000 would scratch the surface. Kids already know that drugs destroy their lives.

{Tape: 2; Side: B; Approx. Time Counter: 13.9 - 16}

**REP. MCALPIN** stated that tobacco companies use advertisements quite effectively and spend billions on ads. He supported the bill.

**REP. JONES** believed that advertising, even in small amounts, is very effective. In his dental office, they spend \$10,000 a year for advertising.

REP. NOONAN said that the Department can do whatever advertising they deem necessary if they have the funds.

<u>Vote</u>: Motion carried 11-5 by roll call vote with REP. HENDRICK, REP. MCGILLVRAY, REP. MILBURN, REP. STOKER, and REP. WAGMAN voting no. REP. WINDY BOY voted by proxy.

# EXECUTIVE ACTION ON HB 556

Motion/Vote: REP. WAGMAN moved that HB 556 DO PASS. Motion carried unanimously by voice vote 16-0. REP. WINDY BOY voted by proxy.

{Tape: 2; Side: B; Approx. Time Counter: 16 - 22}

#### EXECUTIVE ACTION ON HB 387

Motion: REP. ROBERTS moved that HB 387 DO PASS.

Motion: CHAIRMAN BECKER moved that HB 387 BE CONCEPTUALLY AMENDED TO PUT THE RATE OF POVERTY LEVEL AT 35%. {Tape: 2; Side: B; Approx. Time Counter: 22 - 25.2}

#### Discussion:

**REP. MCALPIN** stated the amendment would reduce the fiscal note. If the bill was passed out of committee, a new fiscal note would be needed before the bill could be debated on the House floor.

CHAIRMAN BECKER pointed out that childcare had been moved into TANF which takes a big chunk out of TANF monies. The Department can move money around as they see fit and felt the Committee should look at the bill as making a policy statement.

{Tape: 2; Side: B; Approx. Time Counter: 25.2 - 28.4; Comments: REP. WINDY BOY returned to the hearing.}

REP. MCALPIN asked if REP. JUNEAU was in agreement with the amendment. CHAIRMAN BECKER replied that she was in agreement.

<u>Vote</u>: Motion carried 15-1 by voice vote with REP. STOKER voting no.

Motion: REP. FACEY moved that HB 387 DO PASS AS AMENDED.

# Discussion:

**REP. FACEY** addressed the bill and spoke on TANF. He spoke on the chart that REP. JUNEAU had handed out in the hearing of HB 387. He pointed out that many families have come off the rolls of TANF which reduced the cost of TANF. He was in favor of the increase in TANF benefits because he believed that the program was working.

{Tape: 2; Side: B; Approx. Time Counter: 28.4 - 32.}

<u>Substitute Motion/Vote</u>: REP. WAGMAN made a substitute motion that HB 387 BE TABLED. Substitute motion failed 8-8 by roll call vote with REP. ROBERTS, REP. HENDRICK, REP. JONES, REP. MCGILLVRAY, REP. MILBURN, REP. STOKER, REP. WAGMAN, and REP. WARDEN voting aye.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 3.7}

REP. MILBURN felt the bill needed more work. If the benefits get out of balance, more people will come into TANF.

REP. FACEY spoke about the board which meets four times a year. He spoke again on the chart. There is a limit of five years that people can be in TANF. The average stay in Montana is nine months. He also pointed out that while the numbers in TANF have gone down, there has not been a decrease in the administration numbers.

{Tape: 3; Side: A; Approx. Time Counter: 3.7 - 7.8}

**REP. CAFERRO** spoke on the surplus of TANF money being held by the State. The surplus is \$23 million in Federal funds. Half of the block grant goes to TANF families; the other half is for other purposes, much of it is used for administration.

REP. ROBERTS explained why the Department has such a large surplus. After 9-11-01, there was such an influx of new cases. They need to hold some reserves for those critical times. According to the figures presented by the Department, there will be no surplus in a few years.

{Tape: 3; Side: A; Approx. Time Counter: 7.8 - 9.9}

**REP. CAFERRO** pointed out the lower figure of 35% of poverty would help sustain a lower caseload.

**REP. MCGILLVRAY** asked for an explanation of what the Legislature and the Committee had control over.

 ${\tt Ms.}$  Fox explained that in HB 387, the Committee does not have the authority to move money around. The Joint Subcommittee that does

the DPHHS budget can move money around. On one area of the chart, REP. JUNEAU showed TANF money did not have to be spent on childcare. The Joint Subcommittee would make that decision. Human Services Committee is only addressing the level of poverty requirement for benefits.

**REP. FACEY** explained that when HB 2 is on the House floor, legislators have the ability to control the amount of money spent and where it will be spent.

{Tape: 3; Side: A; Approx. Time Counter: 9.9 - 13.7}

**REP. MCGILLVRAY** was sympathetic to the desire to get more cash assistance, but was not sympathetic to spending money overall.

**REP. WINDY BOY** clarified that the Indian tribes have taken over the handling of their TANF program. This would lower some of the numbers on the chart and a new chart might be necessary.

Ms. Fox said the number of cases would change but the tribes would also take part of the grant with them.

REP. STOKER indicated that Montana is in the middle of the pack based on western states as far as benefit payments go. He felt Montana should stay in the middle. He encouraged the Committee to leave the benefits at their present level. The reason benefits were cut in 2003, was that benefits were too high and the Department ran out of TANF money.

**REP. MCALPIN** supported the bill. He stated that it is a compromise.

{Tape: 3; Side: A; Approx. Time Counter: 13.7 - 21.8}

<u>Vote</u>: Motion failed 8-8 by roll call vote with REP. BECKER, REP. CAFERRO, REP. EATON, REP. FACEY, REP. HENRY, REP. MCALPIN, REP. NOONAN, and REP. WINDY BOY voting aye.

# ADJOURNMENT

Adjournment:	5:50 P.M.						
		_	REP	. AR	LENE	BECKER,	Chairman
		_	]	MARY	GAY	WELLS,	Secretary

AB/mw

Additional Exhibits:

EXHIBIT (huh36aad0.PDF)